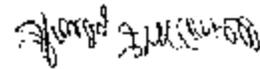


U. S. Department of Labor Employment and Training Administration Washington, D.C. 20210	CLASSIFICATION ES
	CORRESPONDENCE SYMBOL OCTA
	DATE May 17, 2000

TRAINING AND EMPLOYMENT GUIDANCE LETTER NO.12-99

TO : ALL STATE WORKFORCE LIAISONS
ALL STATE WORKER ADJUSTMENT LIAISONS
ALL STATE EMPLOYMENT SECURITY AGENCIES
ALL ONE-STOP CAREER CENTER SYSTEM LEADS



For
FROM : LENITA JACOBS-SIMMONS
Deputy Assistant Secretary

SUBJECT : Final Planning Allotments for Program Year (PY)
2000 Wagner-Peyser (W-P) Act Basic Labor
Exchange Activities

1. Purpose. To provide the final planning allotments for PY 2000 basic labor exchange activities to the States, as required by Section 6(b)(5) of the W-P Act, as amended.

2. References. The W-P Act, as amended (29 U.S.C. 49 et seq); Workforce Investment Act (WIA) of 1998 (P.L. 106-113); 20 CFR 652; Planning Guidance and Instructions for Submission of the Strategic Five-Year State Plan for Title I of the Workforce Investment Act of 1998 and the Wagner-Peyser Act (64 F.R. 9402 [February 25, 1999]); State Unified Planning Guidance (65 F.R. 2464 [January 14, 2000]); Training and Employment Guidance Letter (TEGL) No. 11-98; TEGL No. 3-99; and TEGL No. 5-99.

3. Background. The Secretary of Labor is issuing final planning allotments for each State's share of PY 2000 funds for basic labor exchange activities. The allotments will be published in the Federal Register.

4. Allotment Formula. These allotments (see attached) are based on the Fiscal Year (FY) 2000 appropriation of \$761,735,000 and are distributed by the statutory formula

RESCISSIONS None	EXPIRATION DATE Continuing
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DISTRIBUTION

described in Section 6 of the Act. Section 6(b)(4) of the Act authorizes the Secretary of Labor to reserve up to 3 percent of the total fund availability to assure that each State will have sufficient resources to maintain statewide employment service (ES) activities. The setaside for distribution through an administrative formula for this program year is \$22,312,050. The 3 percent distribution is included in the total final allotment. The setaside was distributed in two steps to States whose relative share of resources declined from the previous year. In Step 1, those States with a civilian labor force (CLF) below one million and that are also below the median CLF density were held harmless at 100 percent of their prior year relative share of resources. The remainder was distributed in Step 2 in pro rata shares to all other States that lost in relative share from the prior year but did not meet the size criteria for Step 1.

Ten percent of the total sums allotted to each State shall be reserved for use by the Governor to provide performance incentives for public ES offices; services for groups with special needs; and for the extra costs of exemplary models for delivering job services.

The data used are Calendar Year (CY) 1999 averages of CLF and number of unemployed individuals. Differences between preliminary planning estimates and final allotments are caused by the use of CY data as opposed to the earlier data used for preliminary planning estimates.

5. Postage Costs. Postage costs incurred by States during the conduct of ES activities are billed directly to the Department of Labor by the U.S. Postal Service. The State allotments do not include \$18,000,000 of the total amount available, which is withheld for the payment of the States' ES penalty mail costs.

6. Inquiries. Questions regarding these final allotments may be directed to the appropriate Employment and Training Administration Regional Administrator.

7. Attachments. Final Planning Allotments